

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

The rate of growth in Allentown's housing stock had been significantly slower than that of Lehigh County and of Pennsylvania as a whole. In 1990, there were 45,636 total housing units, 56.6% of which were owner-occupied. This number grew by only 324 units between 1990 and 2000, an increase of 0.7%. By comparison, during this decade, the total housing stock in Lehigh County and Pennsylvania grew at 8.9% and 6.3%, respectively.

The Census Bureau's American Community Survey estimates that the housing stock in Allentown decreased to 44,664 units by 2008, with the decrease spread evenly across owner-occupied, renter-occupied, and vacant properties. Between 2000 and 2008, the number of housing units in Allentown decreased by 2.8%, compared to increases of 7.4% in Lehigh County and 4.7% across Pennsylvania.

By the 2010 Census, Allentown had seen a small rebound in housing stock numbers. According to figures from that Census, Allentown had a total of 46,921 housing units, of which 42,804 (91%) were occupied. This percentage was similar to those for Lehigh County (142,681 total units, with occupancy of 93.9%) and the State of Pennsylvania (5,565,653 total units, with occupancy of 90.1%).

Among owner-occupied units, the largest segment (5,405 units, or 26.1% of the total owner-occupied housing market) was that owned by those 65 years and older. The same was true for Lehigh County (25.9% owned and occupied by those 65 years and older) and Pennsylvania (27.5% for the same demographic).

Rental-occupied housing was greatest among those 25-34 years of age in Allentown, Lehigh County and Pennsylvania (25.1%, 23.7% and 23.3%, respectively). With 41.1% of its stock built in 1939 and earlier, the City of Allentown's housing is significantly older than that of Lehigh County (25.7% built 1939 or earlier) and Pennsylvania (27.2%).

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

In 2010-2012, the City of Allentown, Pennsylvania had a total of 47,000 housing units, 11 percent of which were vacant. Of the total housing units, 60 percent were in single-unit structures, 40 percent were in multi-unit structures, and less than 0.5 percent were mobile homes. Nine percent of the housing units were built since 1990.

While general occupancy is high, the City's rental vacancy rate is about 8.8 percent. Housing policy analysts often assume that the supply and demand for rental housing are in balance when the vacancy rate is about 5.0 percent, whereas vacancy rates greater than 5.0 percent are indicative of an oversupply of rental housing. Thusly, Allentown appears to have an oversupply of rental units.

The City's housing stock is older with 91 percent of housing units having been constructed before 1990. The median age of the units in the City is approximately 1950. This means that half of the housing units in the City are seventy or more years old. The implication of this is that rehabilitation and upgrading of units is an on-going problem, especially as the census data shows that 40 percent of residents had been in their unit for at least a decade. As a note, approximately 2,418 housing units have been built in the City since 2000, with a significant amount (1,769) of those units being built between 2000 and 2009.

Per the Realty Trac website <http://www.realtytrac.com/statsandtrends/pa/lehigh-county/allentown>, there are currently 526 properties in Allentown, PA that are in some stage of foreclosure (default, auction or bank owned) while the number of homes listed for sale on RealtyTrac is 581.

In January 2015, the number of properties that received a foreclosure filing in Allentown, PA was 18% lower than the previous month and 2% higher than the same time last year.

Home sales for December 2014 were down 100% compared with the previous month, and down 100% compared with a year ago. The median sales price of a non-distressed home was \$107,700. The median sales price of a foreclosure home was \$41,400, or 62% lower than non-distressed home sales.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	11,459	24%
1-unit, attached structure	17,504	37%
2-4 units	8,775	18%
5-19 units	6,068	13%
20 or more units	3,675	8%
Mobile Home, boat, RV, van, etc	112	0%
<b>Total</b>	<b>47,593</b>	<b>100%</b>

**Table 1 – Residential Properties by Unit Number**

Data Source: 2007-2011 ACS

**Unit Size by Tenure**

	Owners		Renters	
	Number	%	Number	%
No bedroom	39	0%	769	3%
1 bedroom	334	2%	7,541	34%
2 bedrooms	3,121	15%	7,311	33%
3 or more bedrooms	17,279	83%	6,695	30%
<b>Total</b>	<b>20,773</b>	<b>100%</b>	<b>22,316</b>	<b>100%</b>

**Table 2 – Unit Size by Tenure**

Data Source: 2007-2011 ACS

**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

The City of Allentown provides various federal, state, and local programs to help assist LMI individuals and families. The Housing Authority serves low-income residents, including families, seniors and disabled, of Allentown through two forms of housing subsidy: public housing units and housing choice vouchers (formerly known as Section 8). The public housing program provides rental units for 1,223 households with rents generally set at 30% of the qualified tenant's income. All tenant's must document income at no more than 50% of the area median.

The housing choice voucher Program helps 1,453 eligible families, including families, seniors and disabled, afford safe, sanitary and decent housing to live by paying a portion of the rent directly to the property owners. Tenants generally pay 30% of their income for rent. Most vouchers are attached to the tenant, not the unit, and can be retained by qualified tenants if they move to different unit. All tenant's must document income at no more than 50% of the area median.

An additional 163 affordable units are available through the Low Income Tax Credit Program. These units are for families, seniors, and disabled and are affordable at varying affordability levels from incomes no higher than 30% of the median to 60% of the area median.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

It is not anticipated that any units identified in the above section will be lost from the affordable housing inventory in the next year..

**Does the availability of housing units meet the needs of the population?**

Although sales and rent levels in Allentown are among the most affordably-priced in the Region, many housing units available at these rates are in need of repair and are very old. Most low-income homeowners and homebuyers do not have sufficient resources to finance the cost of repairs needed to upgrade deteriorated sales housing. Most middle- and upper-income homebuyers with financial capability to buy and improve older housing units are attracted to newly developed housing with modern amenities and are not interested in older homes and/or living in neighborhoods where public safety and quality of life problems are significant.

Despite the City's affordability, there are still shortages of rental and homeownership units in decent condition that are affordable to extremely low and low income households. As discussed in the Needs Assessment, there are renter and homeowner households with severe housing cost burden (paying over 50% of household income for housing) and households with a moderate housing cost burden (paying 30-50% of their household income for housing).

The City's strategy is to make provisions for upgrading the existing housing stock; the elimination of obsolete housing and the introduction of new and substantially rehabilitated market rate housing into the community.

### **Describe the need for specific types of housing:**

Affordable Rental housing for low-income and extremely low-income households continues to be in high demand due to the existing condition of the market rate units and the fact that market rents often translate into high housing costs burden for low-income families. Special Needs handicapped accessible housing assistance continues to be needed, especially for the frail elderly and physically disabled population. Likewise, affordable housing for families with children remains a need throughout the City as evidenced by the numbers of people experiencing overcrowding.

Affordable homeownership units are needed to increase the homeownership percentages in the City and increase of the number of units in decent, safe, and sanitary condition.

### **Discussion**

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction:

Per the 2010-2012 American Community Survey 3-Year Estimates, The median monthly housing costs for mortgaged owners was \$1,324, non-mortgaged owners \$478, and renters \$861. Forty-five percent of owners with mortgages, 18 percent of owners without mortgages, and 64 percent of renters in the City of Allentown, Pennsylvania spent 30 percent or more of household income on housing.

According to the 2010-2012 American Community Survey, Allentown had a total of 47,000, units; 5,170 of which were vacant (a vacancy rate of 11%). This represents a significant increase in vacancy from 1990, when the United States Census reported 2,861 vacant units and a vacancy rate of 6.3%. This increase possibly can be attributed to changing demographics in the City of Allentown; although the population rose slightly during the decade, this increase was mainly accommodated by the increased average household size.

Compared to the state and county, Allentown's homeownership rate is very low. The 2010 Census reported that 20,000 (46.0%) of the City's 42,000 occupied housing units were owner-occupied, compared to a homeownership rate of 56.6% in 1990.

According to [www.trulia.com](http://www.trulia.com), the median sales price for homes in Allentown for November 2014 to February 2015 was \$110,000 based on 299 home sales. Compared to the same period one year ago, the median home sales price decreased 12%, or \$15,000, and the number of home sales increased 6%. There are currently 826 resale and new homes in Allentown on Trulia, as well as 491 homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process. The average listing price for homes for sale in Allentown was \$175,493 for the week ending February 18, 2015. A copy of the [www.trulia.com](http://www.trulia.com) data is included in the Grantee Unique Appendices. According to [www.trulia.com](http://www.trulia.com), the median sales price in Allentown during the third quarter of 2009 was approximately \$140,000.

On March 12, 2015, there were 94 units listed for rent on [www.zillow.com](http://www.zillow.com). The rents started at \$669 for one and two bedroom units. A copy of the units listed is included in the Grantee Unique Appendices section of this plan. The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and certain municipalities in the United States in 2014. In the Allentown-Bethlehem-Easton HMFA, the Fair Market Rent (FMR) for a two-bedroom apartment is \$974. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$3,246 monthly or \$38,952 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of \$18.73. A copy of the National Low Income Housing Coalition data is included in the Grantee Unique Appendices

### Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	77,000	143,800	87%

	<b>Base Year: 2000</b>	<b>Most Recent Year: 2011</b>	<b>% Change</b>
Median Contract Rent	475	695	46%

**Table 3 - Cost of Housing**

**Data Source:** 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

<b>Rent Paid</b>	<b>Number</b>	<b>%</b>
Less than \$500	4,966	22.3%
\$500-999	15,046	67.4%
\$1,000-1,499	1,950	8.7%
\$1,500-1,999	296	1.3%
\$2,000 or more	58	0.3%
<b>Total</b>	<b>22,316</b>	<b>100.0%</b>

**Table 4 - Rent Paid**

**Data Source:** 2007-2011 ACS

## Housing Affordability

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
30% HAMFI	2,325	No Data
50% HAMFI	6,770	2,475
80% HAMFI	18,170	7,190
100% HAMFI	No Data	11,030
<b>Total</b>	<b>27,265</b>	<b>20,695</b>

**Table 5 - Housing Affordability**

**Data Source:** 2007-2011 CHAS

## Monthly Rent

<b>Monthly Rent (\$)</b>	<b>Efficiency (no bedroom)</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Fair Market Rent	631	724	915	1,145	1,299
High HOME Rent	672	771	974	1,205	1,325
Low HOME Rent	642	688	825	953	1,063

**Table 6 – Monthly Rent**

**Data Source:** HUD FMR and HOME Rents

## Is there sufficient housing for households at all income levels?

The Census Bureau's 2010-2013 American Community Survey showed that median household income was \$36,655 for the City of Allentown (\$66,522 for the State of Pennsylvania). The per capita income for the City was \$16,233 (\$28,052 for the State of Pennsylvania). In 2010-2012, 27 percent of people were in poverty. Forty- percent of related children under 18 were below the poverty level, compared with 11 percent of people 65 years old and over. Twenty-two percent of all families and 42 percent of families with a female householder and no husband present had incomes below the poverty level.

The homeownership rate for Pennsylvania was 46%. A household earning the median at \$36,655 and who spends 30% of their income on rent/mortgage payments would pay \$916 per month. These averages illustrate the continuing demand and need for **affordable** housing for low- and moderate-income households.

Demographics in NA-10 indicate that Housing Problems, Cost Burdens, and Crowding, renters earning less than 30% of the median and between 30% and 50% of the median are affected by these problems more than those of renters earning more than 50% of the median and owners on a consistent basis. Without some type of rental assistance, this portion of the population is in danger of homelessness

### **How is affordability of housing likely to change considering changes to home values and/or rents?**

The median home value in Allentown decreased by 15% between November 2014 and November 2013 according to [www.trulia.com](http://www.trulia.com), while the median contract rent increased from \$684 in 2005 to \$881 in 2013 (ACS data). While this may appear to make For Sale units more affordable, the age of the housing stock and the increased scrutiny for mortgages make the home buying option more difficult.

The cost of housing increase for rental units does not correlate with earnings increases or inflation. During this time period the median household income increased from \$35,964 to \$36,655. If this trend continues, the gap between rental housing and income will continue to increase, resulting in shortfalls of housing that is affordable.

### **How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

The gaps between the high and low HOME rents and the Fair Market Rents is very low for the High HOME rents, but greater for the Low HOME rents in the Bethlehem/Allentown/Easton HUD area. The difference between the Fair Market Rent and both the high and low HOME rents are slightly less for the smaller units such as the efficiencies and one bedrooms, but greater for the units in the highest demand such as the two and three bedroom units. The gap between the Low HOME rents and the Fair Market rents for a two bedroom unit is \$149. Meanwhile the gap between the Low HOME rents and Fair Market Rents for a 4 bedroom unit is \$319.

The gap between the Low HOME rents and the fair market rents is greatest for the units in the greatest demand making it challenging to provide affordable housing options for household that require more than one bedroom. This fact coupled with increased demand for housing in the area, as well as increasing prices make it difficult to provide enough affordable housing.

Producing new affordable housing options is also difficult because the incentive to produce market rate housing and the profits associated with these types of developments outpace the incentives for affordable housing construction.

**Discussion:**



## **MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)**

### **Introduction**

Using indicators of housing deficiency available from HUD's data included below, the following narrative describes the condition of the housing stock in Allentown. A structure's age is used to demonstrate the amount of time a unit has been in the housing inventory and the duration of time over which substantial maintenance is necessary. In the absence of routine maintenance, older housing usually becomes substandard. The age threshold used to signal a potential deficiency is 50 years or more. Per HUD's data included below, there were 19,960 units built before 1950. This represents a total percentage of 46%

The data identifies a total of 19,960 units, both Owner Occupied and Rental that have at least One Selected Condition. This represents a total percentage of 46%. Overcrowding is directly related to the wear and tear sustained by a housing unit. More than one person per room (1.01 persons or more) is used as a threshold for defining living conditions as overcrowded. The HUD data included in section NA-10 of this plan identifies 985 Renter households and 179 Owner Occupied Households affected by overcrowding in their living environment

As a result of these statistics, the City's goals include reducing overcrowding in housing units as defined in the City's Property Maintenance Code, in addition to physical improvements for properties. The deteriorated condition of some existing housing units can be attributed to speculators sitting on land, not making substantial improvements, and waiting for developers or the City to make substantial offers on these properties.

### **Definitions**

In Allentown, a housing unit is considered "standard" if it is in compliance with municipal housing and property maintenance codes. Because these codes "grandfather" certain pre-existing conditions associated with factors such as minimum room sizes and stairway widths, the precise number of housing units that can be categorized as standard based on a consistent application of municipal codes cannot be determined.

For the purposes of the Consolidated Plan, a housing unit is termed "substandard" if it requires major repair or replacement of one or more major systems or it requires rehabilitation costing \$25,000 or more in order to achieve compliance with municipal codes.

Census data and other statistics are not sufficient guides for determining whether a substandard property is suitable for rehabilitation. Since a high percentage of houses in the city were built before 1980, age of housing, by itself, is not a useful indicator. However, the City has experienced substantial issues with lead abatement, which presents strong correlation to the age of the housing stock. In addition, lead abatement activities are expensive. Because major systems repair and replacement needs vary widely in scope and cost, the existence of major systems deficiencies, by itself, is not a useful

indicator either. Some vacant houses may be suitable for rehabilitation, but the determination of whether or not a particular house is to be rehabilitated should be based on a variety of factors including house and block conditions, real estate market characteristics, and the level of subsidy required to complete rehabilitation. With regard to the latter factor, the City will not provide development subsidy funding for housing ventures that exceed Section 211(D)(3) limits.

### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	7,141	34%	12,519	56%
With two selected Conditions	81	0%	722	3%
With three selected Conditions	8	0%	62	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	13,543	65%	9,013	40%
<b>Total</b>	<b>20,773</b>	<b>99%</b>	<b>22,316</b>	<b>99%</b>

**Table 7 - Condition of Units**

Data Source: 2007-2011 ACS

### Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	587	3%	1,082	5%
1980-1999	1,731	8%	3,042	14%
1950-1979	7,625	37%	9,089	41%
Before 1950	10,830	52%	9,103	41%
<b>Total</b>	<b>20,773</b>	<b>100%</b>	<b>22,316</b>	<b>101%</b>

**Table 8 – Year Unit Built**

Data Source: 2007-2011 CHAS

### Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	18,455	89%	18,192	82%
Housing Units build before 1980 with children present	635	3%	980	4%

**Table 9 – Risk of Lead-Based Paint**

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

## Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

**Table 10 - Vacant Units**

Data Source: 2005-2009 CHAS

## Need for Owner and Rental Rehabilitation

Most of the City of Allentown's households with housing problems, 22,556 units (52%) have none of the four evaluated housing problems; lack of complete kitchen or plumbing facilities, cost burden, overcrowding, or negative income. However, since the age of Allentown's housing is a significant factor (41% of Rental units and 52% of Owner Occupied Units were built before 1950), it is presumed that many of these owner and renter occupied homes need housing rehabilitation.

## Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

According to the Risk of Lead Based Paint Assessment chart included above, there are a total of a total of 18,455 owner occupied units that were built prior to 1980 and 18,192 renter occupied units that were built prior to 1980 that may contain lead based paint.

Children under the age of six typically constitute about 7% of the population in an area. However, according to the Census Data from the 2010-2013 American Community Survey 3-Year Estimate, Allentown's percentage of children under five (Census data is grouped by 5 and under) is approximately 7.9% which is considered above average. Because many areas of the City have very high numbers of pre-1980 housing, especially the Center City area, any area with a high concentration of younger children is a concern for lead-based paint poisoning.

## Discussion

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction:

The Allentown Housing Authority (AHA) currently owns and manages 1,223 conventional public housing units, primarily within 14 separate developments located throughout the City of Allentown. Almost all of the public housing units are occupied, with yearly turnover ranging from 2 to 23 units among the 14 developments. This total includes 79 scattered site units located throughout the City of Allentown.

The Public Housing Authority Survey in the Unique Grantee Appendix shows the target population of each development as well as the total units, year built, occupancy rate, and annual unit turnover. Sixty-five percent of the units are designated for elderly tenants overall. The overall annual turnover rate is low, approximately 15% of the units, and the occupancy rates range from 98 to 99%.

In addition, AHA owns and manages 107 units that were acquired and rehabilitated through the federal Section 8 Substantial Rehabilitation Program. Project-based vouchers are used to help payoff AHA debt. These units are also scattered throughout the City. The major unmet need in the City of Allentown reported by AHA was for additional family housing units with a varied bedroom mix. Also, adequate on-site facilities for community programs are seen as a great need.

### Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	33	1,213	1,403	0	1,403	0	0	0
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 11 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

**Describe the supply of public housing developments:**

**Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:**

HUD has deemed the Allentown Housing Authority as a "High Performer" for both public housing and HCV programs. The Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) are based on a rating analysis of factors including vacancies, modernization, rent collection, unit turnaround, and condition of units. The Allentown Housing Authority (AHA) currently owns and manages 1,223 conventional public housing units, primarily within 14 separate developments located throughout the City of Allentown. Almost all of the public housing units are occupied, with yearly turnover ranging from 2 to 23 units among the 14 developments. This total includes 79 scattered site units located throughout the City of Allentown.

The major challenge faced by the AHA is the age of the majority of its buildings. More than 73% of the housing structures were built in the 1960s and 1970s, and the heating systems, distribution systems, and exterior brickwork have suffered.

Additionally, AHA owns and manages 100 units that were acquired and rehabilitated through the federal Section 8 Substantial Rehabilitation Program. Project Based Rental Assistance (PBRA) is used to provide rental assistance to residents and support AHA operation and maintenance of the units. These units are also scattered throughout the City.

AHA reports that as of 2015, the majority of its housing stock is in good condition and meets all HUD standards and City housing codes.

## Public Housing Condition

Public Housing Development	Average Inspection Score
Central Park	Fair
Towers East	Fair
Gross Towers	Fair
Little Lehigh	Poor
Scatterd Sites	Poor
700 Building	Fair
Walnut Manor	Fair
NSA	Poor
Overlook Park	Good
Cumberland Gardens	Good

**Table 12 - Public Housing Condition**

### **Describe the restoration and revitalization needs of public housing units in the jurisdiction:**

Over the past several years, the focus of the AHA has been on making physical upgrades to all its family and elderly public housing developments through the annual Capital Fund grant (approximately \$1.5 million annually). Ongoing repairs and modernization activities include kitchen and bathroom modernizations, new HVAC and water improvements, new sidewalks, curbs, and roofing. Plans are to request funding for elderly services as well as new housing construction funding from the federal government in the future.

A major rehabilitation was undertaken in 2012 at the Cumberland Gardens development. Several needs have been identified by the AHA and public housing residents. Safety issues have begun to be addressed by the installation of overhead surveillance cameras at three building sites. City police have been cooperative in their understanding of the increased problems experienced by public housing residents. Another need is more off- street parking in several of the developments, as well as generally reduced density within the public housing neighborhoods.

Five of the seven public housing developments currently have a resident council. The resident councils provide input and are primarily involved in planning for, and feedback on, renovation/modernization needs of the developments. The resident councils attend regular meetings and take part in the planning processes for both the 5 year and annual Public Housing Authority (PHA) plans that are submitted to HUD.

The AHA recognizes the inherent difficulty in keeping the resident councils engaged. It plans to seek involvement and support of the councils by scheduling regular meetings with the AHA Executive Director.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

Strategies for improving living environments for those residing in public housing are described.

Additionally, Gross Towers and Towers East currently have a resident council. The resident councils provide input and are primarily involved in planning for, and feedback on, renovation/modernization needs of the developments. The resident councils attend regular meetings and take part in the planning processes for both the 5-year and annual Public Housing Authority (PHA) plans that are submitted to HUD.

The AHA recognizes the inherent difficulty in keeping the resident councils engaged. It plans to seek involvement and support of the councils by scheduling regular meetings with the AHA Executive Director. It is anticipated that by employing this strategy, residents will be able to have a direct impact on decisions and projects related to improving their living environments.

**Discussion:**

## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

Homelessness is a complex issue that, in addition to housing cost and availability, often involves problems of addiction, mental health, domestic violence, health, and poverty. It is now believed that these problems can best be reduced by partnering social service organizations with regional governments and communities so that maximum coordination of all housing and support services is ensured.

For the past decade, there has been a federal funding requirement that communities and organizations formally work together to develop a "Continuum of Care" (CoC) process to address homelessness at all levels. Since 2005, the City of Allentown has participated in the regional CoC process led by the Allentown/Northeast PA Regional Homeless Advisory Board (RHAB). The Eastern PA CoC Process is one of two regional efforts created to encompass non-entitlement portions of the state in order to receive homeless assistance from HUD. Within the region, the Lehigh Valley RHAB encompasses Lehigh and Northampton Counties, the cities of Allentown, Bethlehem and Easton. The Lehigh Valley RHAB CofC has helped secure \$4 million in competitive federal grants for the region to provide homeless housing and support services during its existence.

The Eastern Pennsylvania CofC (of which LV RHAB is a member) is currently an unincorporated organization that serves as the primary decision-making group for the CoC process. Its responsibilities include ensuring representation of key stakeholders; setting the agenda for full CoC planning meetings; conducting the annual homeless single Point-in-Time count; overseeing the various subcommittees and working groups; completing the annual CoC application; and assisting in reviewing programs, activities, data, and all other efforts that will eliminate homelessness and improve the well-being of homeless persons and families in the northeast region.

### Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	595	36	368	304	0



	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Only Adults	299	0	119	333	0
Chronically Homeless Households	101	0	0	101	0
Veterans	182	0	19	120	0
Unaccompanied Youth	77	0	65	0	0

**Table 13 - Facilities and Housing Targeted to Homeless Households**

Data Source Comments:

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

**Emergency Support Services**

Several agencies in the County provide short-term emergency assistance to the homeless and those at risk of becoming homeless. Food baskets and vouchers are supplied by agencies such as the American Red Cross, Catholic Social Services, the Salvation Army and local church organizations.

A variety of Supportive Services are provided by the following agencies in the areas of Alcohol & Drug Abuse (DA), Case Management (CM), Child Care (CC), Education (ED), Emergency Services (ES), Employment (EM), Healthcare (H), HIV/AIDS (HIV), Life Skills (LS), Mental Health Counseling (MHC), Referrals (R) and Transportation (T).

- AIDSNET – HIV
- ARC of Lehigh & Northampton Counties – EM
- Career Link (WIB) – EM
- Clubhouse of Lehigh County - MHC
- Community Action Committee of Lehigh Valley – CM, LS
- Council of Spanish Speaking Organizations of Lehigh Valley – EM
- Crisis Intervention Center – MHC, R
- Head Start of the Lehigh Valley – ED, CC
- Keenan House Treatment Trends - DA
- LANTA METRO – T
- Lehigh County Conference of Churches – DA, EM, ES, MHC, R, T
- Lehigh Valley Center for Independent Living – LS, R
- Lehigh Valley Hospital, 17th and Chew Mental Health Clinic - MHC
- Step By Step, Inc. – CM, LS, DA, MHC
- Salvation Army – CM, LS
- Turning Point of Lehigh Valley – CM, LS
- United Way of Greater Lehigh Valley – ED, ES
- Valley Youth House – CM, LS

**Information/Referral and Outreach**

The Area Agency on Aging provides a 24-hour response service called the Personal Emergency Response System. This system provides two-way communication equipment for the frail elderly to allow them immediate access to emergency assistance. Additionally, the non-profit organization Turning Point of Lehigh Valley operates a Domestic Abuse Hotline that is likewise available on a 24/7 basis. Valley Youth House provides Street Outreach services, and other emergency situations require the use of the County 911 system.

## Homeless Prevention Services

The following agencies also provide Counseling/Advocacy (CA), Legal Assistance (LA), Mortgage Assistance (MA), Rental Assistance (RA), and Utilities Assistance (UA) where needed to prevent homelessness:

- Alliance for Building Communities – CA
- Community Action Committee of the Lehigh Valley – CA
- Lehigh County Assistance Office (Emergency Shelter Allowance) – RA
- Lehigh County Assistance Office (LIHEAP) – UA
- Neighborhood Housing Services of the Lehigh Valley – CA
- North Penn Legal Services – LA

It should be noted that a variety of funding through the Continuum of Care is allocated annually to provide emergency shelter and transitional housing for the homeless.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

In recent years, the U.S. Congress has encouraged the development of permanent supportive housing for homeless people, especially for the chronically homeless population, a substantial number of whom are mentally ill, but also for families with children, veterans and their families and unaccompanied youth.

HUD defines the term "chronically homeless" as unaccompanied individuals with disabilities who have been continually homeless for 12 months or more or who have had four episodes of homelessness in a three-year period. In Lehigh County in 2014, 14 people were identified as chronically homeless. The City has identified the chronically homeless in Allentown as mainly the childless adult group with serious disabling conditions. Several factors account for the persistence of the problem, including the inherent difficulty of serving this unstable population, many of whom are seriously mentally ill.

The lack of low-cost rental housing for single individuals, families and veterans and the lack of intensive support services due to lack of funding are being addressed by the Eastern PA CoC process. Funding emphasis is now on additional permanent housing units.

Outreach to connect services to the homeless populations is provided by the Linkage Program of the Lehigh County Conference of Churches and various agencies who reach out to homeless veterans.

The HUD 2014 C of C Housing Inventory provides a summary of facilities available for Emergency Shelter, Transitional Housing, Permanent Supportive Housing, and Rapid Re-Housing units. Per the summary

there are a total of 1,629 Year Round beds in the Allentown/Northeast Pennsylvania CoC. Included in these units are the following facilities:

The shelter and transitional housing in Allentown :

- Community Action Committee of the Lehigh Valley - 6th Street Shelter (ES)
- Community Action Committee of Lehigh Valley - Turner St. Apartments (TH)
- Salvation Army Emergency Shelter (ES)
- Allentown Rescue Mission (ES)
- Allentown Rescue Mission Christian Living and Values Transitional Program(TH)
- Turning Point of the Lehigh Valley (Domestic Violence) (TH)
- The Program for Women and Families, Inc. (TH)

Located in Allentown and funded with ESG funds, The Salvation Army provides emergency shelter and some case management for women and women with children. Although not specifically designated a facility for special needs populations, some persons with special needs may be assisted there. The Sixth Street Shelter, also in Allentown and funded with ESG funds provides shelter and services for homeless families, some of whom may have members with special needs. Finally, located in Allentown, the Allentown Rescue Mission, also funded with ESG, provides shelter and services for homeless men, some of whom may have special needs. The Allentown School District employs a homeless liaison who works with all the shelters and participates in the LVRHAB and works to ensure homeless youth remain in school and receive the assistance they need.

Valley Youth House provides services to homeless unaccompanied youth. Although the shelter is not located within the City limits, services are available to Allentown homeless youth. Valley Youth House has also recently begun a street outreach program for homeless youth in Allentown. This service connects homeless youth to services available to them.

Homeless Veterans are assisted with several agencies that receive SSVF (Supportive Services for Veterans and Families) funding. These agencies include the Lehigh Valley Center for Independent Living, Hope for Veterans and Catholic Charities. These agencies have just recently received funding and are beginning to offer outreach and programs to homeless veterans.

## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

Certain population groups require supportive services and/or supportive housing, either on a permanent basis, or on a temporary basis. Many special needs populations are very low-income households (below 50% of Median Family Income) because they are not able to work or can only work part-time. Special population groups include the frail elderly, the physically- and developmentally-disabled, severely mentally ill persons, persons with HIV/AIDS, and those with substance abuse issues. Many disabled individuals rely on Supplemental Security Income (SSI) for financial support. SSI provides income support to persons 65 years and over, the blind, and the disabled.

Since so many special needs persons have limited incomes, finding affordable and accessible housing is often a serious challenge. Even when new affordable rental housing is developed, the rental rates for the housing units are often too high for many disabled persons.

One common concern among service providers and clients with special needs is that more and larger housing units are needed to accommodate families taking care of the individuals with special needs. They suggest that many families would like to take care of their own family members with special needs, if supportive services, respite for caregivers and appropriate accommodations, such as barrier-free access, could be provided. Especially in the cases of the physically-disabled population and the population of persons with AIDS/HIV, much of the supportive housing that is available can only accommodate the individual with special needs, isolating him or her from the supportive environment of a family.

Another concern among clients and advocacy groups is that most housing programs/facilities fail to recognize the persons with special needs often have multiple special needs. For example, a significant percentage of persons with AIDS/HIV also have problems of substance abuse or mental illness. Most residential facilities are often targeted for single specific conditions, such as the mentally ill, the developmentally disabled or substance abusers.

### HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	0
PH in facilities	0
STRMU	0
ST or TH facilities	0
PH placement	0

**Table 14 – HOPWA Assistance Baseline**

**Data Source:** HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

- Elderly /Frail Elderly: The goal of County Area Agencies on Aging is to enable the elderly to age in place. An array of in-home services are offered to make this possible, including adult day care, in-home health care, personal care and personal emergency response systems. The Family Care Giver Support Program provides reimbursement of out-of-pocket expenses to family members who provide care for aged relatives.

In order to allow the frail elderly to remain in their homes, home modifications are usually required, including grab bars, wheelchair ramps, or accessible doorways. Other service needs include chore services and in-home medical services. Services are provided through the Lehigh County Area Agency on Aging which plans and coordinates the provision of services to the older adults. Currently, Allentown offers a wide range of elderly housing units, provided at eighteen developments.

Persons with Mental Illness: See text box below.

Physically Disabled: For homeowners with physical disabilities, there is a need for home modifications to make the premises accessible. For renters, the most significant need is being able to find affordable and accessible housing. Housing advocates note that the disabled still face problems in requesting reasonable modifications in their rental units, and that many disabled renters need financial assistance to carry out accessibility modifications.

There are specific standards for accessibility that have been integrated into the City's residential owner-occupied housing rehabilitation program. The Federal Fair Housing law requires that new construction or major renovations of buildings with four or more units contain accessible units.

Services are provided to the physically disabled through the PA Department of Public Welfare and locally through the Lehigh Valley Center for Independent Living, which is annually supported by the City's CDBG program.

Persons with Substance Abuse: Inpatient services can be accessed at any of sixteen providers serving Allentown in the areas of Adult Detox, Adult Short-Term Rehab, Adult Dual Rehab (D&A, MH), Adult Long-Term Rehab, Adult Halfway House, Women with Children, Adolescent Short-Term and Adolescent Long-Term. Outpatient Services may be obtained through four providers serving Allentown in the areas of Adult Outpatient, Adult Intensive Outpatient, and Adolescent Outpatient.

Persons with HIV/AIDS: The primary provider of housing and services to persons with AIDS is AIDSNET, a private, non-profit organization, which is one of seven federally-mandated HIV/AIDS coalitions in Pennsylvania. AIDSNET is responsible for the development of a comprehensive continuum of prevention and care services. The organization's efforts are aimed at both stopping the spread of HIV infection and

providing medical and social services to those who have been infected. The AIDSNET case management agency that serves Allentown is the AIDS Activity Office of the Lehigh Valley Hospital.

*Victims of Domestic Violence:* Domestic Violence services and housing in Allentown are provided by Turning Point of the Lehigh Valley (TPLV). TPLV is a safe place for victims of domestic violence and their children. TPLV's mission is to work toward the elimination of domestic violence, increase community awareness and empower victims by providing shelter and support services.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

The Lehigh Valley Regional Homeless Advisory Board is participating with other state Continuums of Care through the Pennsylvania Homeless Steering Committee (PAHSC) to develop partnerships with state agencies that operate programs that discharge individuals to homelessness. Progress has been made with several agencies. Discharge planning for persons with mental health issues is coordinated with the County Offices of Mental Health. Discharge from healthcare facilities is difficult because of the special needs and time frame involved in discharge. The PAHSC is working with the Pennsylvania Department of Health, Division of Acute and Ambulatory Care to research and establish protocols.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

*Elderly/Frail Elderly:*

- Continue to support activities that provide affordable housing for elderly and frail elderly residents at or below 80% of area median income
- Continue to support activities that provide the elderly and frail elderly with benefits counseling, care coordination, transportation and other services

*Mental Illness:*

- Continue to offer support and assistance to local agencies that provide supportive services and outreach programs to individuals with mental illness
- Increase the supply of transitional and permanent supportive housing facilities for persons with mental illness and mental disabilities, on a regional basis. Such facilities should provide case management services to residents.

*Physically Disabled:*

- Provide financing to disabled individuals to rehabilitate housing units for accessibility

- Continue to support activities that serve persons with disabilities\_

Substance Abusers:

- Continue to offer support to local agencies that provide outreach programs to individuals with drug and alcohol problems
- Increase the supply of transitional and permanent supportive housing for individuals with drug and alcohol addiction\_

Persons with HIV/AIDS:

- Continue to support efforts that provide affordable housing to people living with HIV/AIDS
- Continue to support organizations that provide supportive services to people living with HIV/AIDS

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

Not applicable



## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Describe any negative effects of public policies on affordable housing and residential investment.**

A property owner in the City of Allentown will pay real estate taxes to the City, Lehigh County, and the Allentown School District. Each governing body determines its own tax rate; the actual tax paid is based on this rate multiplied by the assessed value of the property. The assessed value of the property is determined by Lehigh County. The most recent assessment was completed in 1990.

Since the City is limited to a one-percent earned income tax under State law, it is heavily dependent upon the real estate tax for revenue. In fact, as the largest source of revenue, the real estate tax provides more than three times the revenue to the City as the earned income tax. The City's tax rate is not excessive compared to other cities of a similar size; however, in comparison to suburban municipalities, Allentown homeowners pay a higher tax rate. This situation wherein the City must disproportionately increase real estate taxes relative to the surrounding municipalities effectively raises costs for purchasing land and developing affordable housing.

In the codified ordinances of the City of Allentown, it states that the purpose of the zoning ordinance "...is the promotion of the public health, safety, morals, and/or general welfare by":

- Encouraging the most appropriate use of land
- Preventing the overcrowding of land
- Conserving the value of land and buildings
- Lessening the congestion of traffic on the roads
- Avoiding undue congestion of population
- Providing for adequate light and air
- Securing safety from fire, flood, and other dangers
- Facilitating adequate provision for transportation, water supply, sewage disposal, draining, school, parks, and other public facilities
- Giving reasonable consideration, among other things, to the character of districts and their peculiar suitability for particular uses
- Giving effect to the policies and proposals of the Comprehensive Plan as approved by the City Planning Commission and adopted by Council

The City is proud of the inclusive nature of its zoning ordinance and does not believe that it impacts negatively upon the ability to develop, maintain, or improve affordable housing.

### **Regional Analysis of Impediments to Fair Housing Choice**

In 2014, Lehigh County, Northampton County, and the cities of Allentown, Bethlehem, and Easton contributed towards the preparation of a Regional Analysis of Impediments to Fair Housing Choice. This

Regional AI, is an endeavor to streamline the Lehigh Valley region's approach to fair housing and to identify and address impediments to fair housing choice that often do not strictly follow jurisdictional boundaries. By conducting this regional analysis, communities across the Lehigh Valley will be able to promote fair housing choices for all persons, provide opportunities for racially and ethnically inclusive patterns of housing occupancy, identify structural and systemic barriers to fair housing choice, and promote housing that is physically accessible and usable by persons with disabilities. A copy of the Allentown Impediments and Recommendations is included in the Grantee Unique Appendices. The Impediments included are:

Impediment #1: Steering by Real Estate Agents

Impediment #2: Disparities in Mortgage Lending

Impediment #3: Need for Increased Fair Housing Education

Impediment #4: Need for Increased Coordination among Fair Housing Providers

Impediment #5: Zoning Provisions Impacting People with Disabilities

Impediment #6: Condition of Affordable Housing Stock

Impediment #7: Public Perceptions Regarding Transportation Connectivity

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

This section of the Consolidated Plan identifies economic sectors in the City of Allentown where job opportunities exist and identifies reasons why some employment sector positions are not being filled. The main employment challenges are education, training, and certification deficiencies.

### Economic Development Market Analysis

#### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	138	4	0	0	0
Arts, Entertainment, Accommodations	4,514	3,747	13	10	-3
Construction	1,232	1,637	3	4	1
Education and Health Care Services	8,526	12,937	24	35	11
Finance, Insurance, and Real Estate	1,963	1,635	5	4	-1
Information	720	1,012	2	3	1
Manufacturing	4,979	2,565	14	7	-7
Other Services	1,292	1,791	4	5	1
Professional, Scientific, Management Services	2,579	5,298	7	14	7
Public Administration	76	0	0	0	0
Retail Trade	4,851	3,556	14	10	-4
Transportation and Warehousing	3,032	986	8	3	-5
Wholesale Trade	1,805	1,590	5	4	-1
Total	35,707	36,758	--	--	--

**Table 15 - Business Activity**

**Data Source:** 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	54,945
Civilian Employed Population 16 years and over	47,541
Unemployment Rate	13.48
Unemployment Rate for Ages 16-24	35.88
Unemployment Rate for Ages 25-65	7.71

**Table 16 - Labor Force**

Data Source: 2007-2011 ACS

Occupations by Sector	Number of People
Management, business and financial	6,505
Farming, fisheries and forestry occupations	2,489
Service	6,317
Sales and office	12,546
Construction, extraction, maintenance and repair	3,514
Production, transportation and material moving	4,094

**Table 17 - Occupations by Sector**

Data Source: 2007-2011 ACS

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	33,166	74%
30-59 Minutes	8,130	18%
60 or More Minutes	3,362	8%
<b>Total</b>	<b>44,658</b>	<b>100%</b>

**Table 18 - Travel Time**

Data Source: 2007-2011 ACS

## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	5,835	1,268	6,131

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	12,371	1,704	5,100
Some college or Associate's degree	11,150	1,051	2,828
Bachelor's degree or higher	8,153	414	1,551

**Table 19 - Educational Attainment by Employment Status**

Data Source: 2007-2011 ACS

### Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	291	696	1,077	2,753	1,974
9th to 12th grade, no diploma	3,170	2,657	2,580	3,471	2,534
High school graduate, GED, or alternative	4,239	5,446	4,590	9,139	5,632
Some college, no degree	5,955	3,372	2,918	4,159	1,745
Associate's degree	166	1,659	1,344	1,577	409
Bachelor's degree	845	2,153	1,753	2,715	715
Graduate or professional degree	32	850	817	1,843	870

**Table 20 - Educational Attainment by Age**

Data Source: 2007-2011 ACS

### Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	20,125
High school graduate (includes equivalency)	24,424
Some college or Associate's degree	28,997
Bachelor's degree	41,074
Graduate or professional degree	50,565

**Table 21 – Median Earnings in the Past 12 Months**

Data Source: 2007-2011 ACS

### Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

According to the 2010-2012 ACS data, in Allentown city, Pennsylvania, 53 percent of the population 16 and over were employed; 37 percent were not currently in the labor force. Eighty-nine percent of the

people employed were private wage and salary workers; 7 percent were federal, state, or local government workers; and 4 percent were self-employed in their own (not incorporated) business.

The major employment sectors are:

Sales and Office 35%

Education and Health Care Services - 56% of the jobs

Management, business and financial - 18% of the jobs

Production, transportation and material moving - 11% of the jobs

Service - 17% of the jobs

### **Describe the workforce and infrastructure needs of the business community:**

Allentown, Pennsylvania is a quintessential northeastern industrial community that is emerging rapidly from its historic manufacturing roots and charting a new course for development and redevelopment. The City's unemployment rate of 7.3% is higher than that of the Allentown-Bethlehem-Easton unemployment rate of 4.8% and the Commonwealth of Pennsylvania's rate of 5.1% (Jan 2015.)

The City is working to invest in development and redevelopment in its downtown, neighborhoods and Lehigh River Waterfront as the focal points for expanding business, industry, recreation and new workforce development opportunities. The City's economic base generating approximately 55,000 jobs is dominated by four industrial sectors: manufacturing, retail trade, services, and the public sector. Combined these sectors represent 85% of all jobs in the City. Healthcare jobs represent 6,000 of the 22,000 service sector jobs. Other sizeable areas of employment include the information sector, construction, wholesale trade, and the finance, insurance and real estate industries.

According to the Lehigh Valley Workforce Investment Board's Local Plan (2012-2017) the five targeted industry clusters poised for job growth include healthcare; advanced materials manufacturing and logistics; information and communication; business, financial and professional services; and green and energy related manufacturing, services and construction. These sectors reflect many of the strengths of the City's current industrial base and the composition of its resident workforce.

Despite these strengths and opportunities for new investment, there remains a significant segment of the City's population in need of training. 27.1% of City residents live below the poverty line (2009-13 ACS.) In cooperation with its partners at the LVWIB, area colleges and universities (Cedar Crest, Muhlenberg, Lehigh) and area employers, the City is working to reach these distressed workers as part of a comprehensive approach to neighborhood revitalization and community engagement. As the City's economy continues to evolve, there will be an ongoing need for a wide ranging business development

and workforce training program that addresses the 21st Century needs of area employers as well as the basic skills and entry level opportunities available for underserved populations.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

One of the expanding sectors of the Allentown economy is its tourism and hospitality sector. Two of the primary anchors for these industries are Coca Cola Park – home to minor league baseball’s Iron Pigs – and the PPL Center, a sports arena in the City’s downtown. These new investments have spawned new hospitality investments which include most recently, the opening of the Renaissance Hotel next to the PPL Center. The new facility employs 150 individuals, the great majority of whom are Allentown residents. This investment follows other corporate initiatives the Neighborhood Investment Zone (NIZ) which has been a catalyst for new business and job development in the community. This trend coupled with the investment in industrial infrastructure, transportation, the Lehigh River Corridor, the City’s business incubation center will help to spur the revitalization of CDBG targeted areas of the City and generate the jobs needed to lift many of the communities most distressed residents out of poverty.

There are no needs created as a result of the major changes. The various county and college training programs certainly provide for the basic skills necessary to work at Coca Cola Park, the PPL Center. The Tourism and Recreation Industry in the Lehigh Valley grew by 5.7% in the most recent report on Travel & Tourism in Pennsylvania, prepared by Longwoods, International (Dec. 2013.) There are 14,018 jobs in the industry so there should be opportunity for CDBG residents in the various training programs offered by the local WIB, college and other interests. The industry is certainly seen by local and County government as one of the expanding sectors of the local economy, so there are programs in place now to support local businesses that cater to the tourism and recreation industries.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

According to the 2009-13 American Community Survey, 24.9% of City residents do not have a high school degree. Only 4.3% have a bachelor’s degree or higher. This points to the demand for remedial training and retraining programs currently offered by the LVWIB, the community college, and other institutions. There are job opportunities in the local economy for people with basic skills. The growing hospitality and entertainment sectors provide such jobs. Healthcare, education and other service sectors also provide many opportunities for retraining individuals for jobs that require a modest level of specialized education. The construction, logistics, and manufacturing industries also offer opportunities for placing unemployed and underemployed residents who have received training in basic and customized skills programs.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

As noted, through the WIB and area educational institutions, the City is working to reach the unemployed and underemployed residents of the community with basic skills, language skills, and various job training programs that enhance workforce readiness in the most distressed neighborhoods. The Lehigh Carbon Community College maintains a campus in the heart of the City's downtown on Hamilton Street and also offers specialized training in aviation and aeronautics at its campus at Lehigh Valley International Airport. The Hamilton Street campus is particularly accessible to residents from the City's distressed neighborhoods and provides a good vehicle through which many of the partnerships, training, and employment initiatives documented in the Consolidated Plan can be addressed.

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

Yes

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

The Lehigh Valley Economic Development Corporation produces the regional CEDS which includes the City of Allentown. The 2010 document focuses on several project areas that are very much in concert with the strengths of the local economic base and employment growth trends noted earlier. The CEDS identifies as the major initiatives for Allentown the expansion of rail freight infrastructure that will serve some of the City's major industrial centers and waste to energy facilities; additional investment in the Bridgeworks Enterprise Center that focuses on green business development; investment in the Lehigh River Corridor as an entertainment, recreational and hospitality hub that contains new residential development; and improvements to the West End Neighborhood.

All of these initiatives will complement the goals of the Consolidated Plan by providing more jobs for residents of underserved neighborhoods and investing in new business and infrastructure in CDBG eligible areas of the City.

**Discussion**



## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

The City of Allentown Percent of Households with Severe Cost Burden map and the Percent of Low Households and Extremely Low Households with 4 Housing Problems maps show the distribution of low-income households (household income under 50% of Area Median Income) with a severe housing cost burden (paying more than 50% of household income for housing costs) and for households with 4 Housing Problems. For the purposes of this question, we are defining concentration as an area where more than 30% of the population is low-income households with a severe housing cost burden.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

According to the most recent ACS data, 58.5% of Allentown's population is White, 12% is Black/African American, 2% is Asian, 21% is some other race and 42.8 % is Hispanic or Latino. The maps at the end of this section show the distribution of the City's "minority" population. For the purposes of this question, we are defining "concentration" as an area where more than 75% of the populations are non-white or Hispanic. With regard to low-income, we consider an area where more than 40% of the population has incomes below the poverty line to be areas with a concentration of low-income persons. The following City of Allentown Poverty Rate map shows the distribution of persons living in poverty.

### **What are the characteristics of the market in these areas/neighborhoods?**

These neighborhoods are located in the Center City area of the City (see attached map in the Grantee Unique Appendices) and are characterized by some of the oldest and densest housing stock in the City; are home to the poorest population in the Lehigh Valley and have their share of drug related crime and lack some of the amenities that more successful neighborhoods enjoy. The neighborhoods have a lack of shopping opportunities, depressed housing values, a larger percentage of rental housing, housing needing rehabilitation, few job opportunities and households with lower incomes.

### **Are there any community assets in these areas/neighborhoods?**

The above listed issues are somewhat offset by the area's attributes which include the uniqueness of the building stock found in its two historic districts; a burgeoning neighborhood commercial district along 7th Street; long standing health care and educational institutions; community groups dedicated to neighborhood improvement and the energy and entrepreneurial spirit typically found in ethnically diverse communities. According to the Center City plan, potential and opportunity are words that can also be used to describe the area. Vibrant downtowns that are walkable, diverse and culturally fulfilling are attracting a younger demographic looking for these attributes. With the support of the downtown

corporate and business community, they also now have a partner willing to support the area's revitalization.

**Are there other strategic opportunities in any of these areas?**

The Center City Initiative plan outlines the strategic opportunities; a copy is included in the Grantee Unique Appendices. The area comprises Center City Allentown but more significantly by the existing programs and initiatives currently underway. The program area encompasses the following communities: Jordan Heights; 7th Street Corridor; the Old Allentown and Old Fairgrounds Historic Districts; Hamilton District Main Street area and the Allentown Promise Neighborhood. The City of Allentown, using the Center City Initiative plan as a guide, has designated its next targeted area for use of federal funds as the same CCI area.